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# Alumnus holds key to Iranscam

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When reporters from the *New York Times* and the *Washington Post* call him, he hangs up the phone.

His name appears very rarely even though he holds one of the most powerful positions in the U.S. Government.

Clair Elroy George has made a career of secrets since he graduated from Penn State in 1952.

Said one of George's former professors: "He is Penn State's version of Yale's Blackford Oakes," author William F. Buckley's fictional CIA agent.

After 30 years of spying in the some of the world's most dangerous spots, George now heads all clandestine activity for the Central Intelligence Agency.

And as the Iran-Contra scandal unfolds, George is emerging as one of the "CIA cowboys, an unsung villain who holds a lot of answers," according to a CIA analyst.

As Deputy Director for Operations, a post he has held since 1984, George directs all covert activities the CIA runs from funneling money to political forces opposing the leftist government of Mauritius to destabilizing Libya's Moammar Gadhafi and bankrolling hundreds of millions in aid for Afghan rebels.

It is a position once held by such famous spies as Allen Dulles, Richard Helms and William Colby, who all moved on to head the CIA.

George, who spent his entire career in the CIA's clandestine division, took the post during a resurgence of covert activity due mostly to the enthusiasm for such operations by former CIA Director William Casey. But with the revelation of the CIA's roles in selling arms to the Iran and funding the Contras in Nicaragua, a staff member on the Senate Intelligence Committee said the days of "the free-wheeling covert stuff George is used to may be over."

## George and the Contras

The very origin of the Iran-Contra affair can be traced back to George, according to several CIA watchers.

Robert R. Simmons, former Senate Intelligence staff director and now a Yale professor of political science, blames George for misleading and not informing Congress in 1984 of the CIA's role in mining harbors in Nicaragua, part of the CIA's attempt to destabilize the Sandinista government.

In a furious response a few weeks after the mining was exposed, Congress slapped prohibitions on military aid to the Contras and on any CIA assistance, destroying one of President Ronald Reagan's top foreign policy goals and leading to a backchannel method of conducting covert activity that led to the Iran-Contra affair.

At the time of the mining, George moved from assistant deputy for operations to become the CIA's Congressional liaison.

"Putting Casey and George together was a prescription for disaster," said Simmons, who directed the intelligence staff then.

"Casey put in this job, which is supposed to inform Congress of what the CIA is doing, someone who spent their whole career in secret operations, who developed a sense of security and a sense of caution about disclosing anything," said Simmons.

George delayed for six weeks a request from the Senate intelligence committee for a briefing on the CIA's covert activity, violating the Intelligence Oversight Act of 1980 which states Congress will be kept "fully and currently informed of all intelligence activities," Simmons said.

"(George) failed in that responsibility," he said. "He violated the law and it was a disaster. It resulted in a cutting off of funding for the Contras for years. And that certainly was not the intent of what the CIA thought was in the best interest of the country.

"He may have have good intentions but I'm reminded that the road to hell is paved with good intentions. I don't think he served the agency by violating the law.

"If you look at officials like (Lt. Col. Oliver North) and (former national security adviser Robert McFarlane), they were well intended, they had the best interests of the country at heart, but by violating the law and the process they undermined their administration and embarrassed their country. George is no different."

After Congress cut off the Contras, said David MacMichael, a CIA analyst with the Council on Hemispheric Affairs, the Reagan administration found a "creative solution" to get around the Congressional ban, it privatized the supply of weapons, advisors, and aid to the Nicaraguan rebels and brought to centerstage North.

Said Simmons: "I still believe it was disaster to put George in that role. He had little familiarity with Congress after spending a career coming up through the ranks."

## George's University years

George's career attracted enough attention at the University to cause him to be nominated for the University's Distinguished Alumni Award several years ago, said Harold J. O'Brien, George's former debate coach. But a committee of the University Board of Trustees turned him down because they said they didn't have enough biographical information. "They wanted to know things about him that can't be told," O'Brien said.

George was born on Aug. 3, 1930 in Beaver Falls, Pa., and came to the University in 1949 when he was as just "a small time guy from Beaver Falls," O'Brien said.

He was vice president of Tau Kappa Epsilon fraternity and president of Skull and Bones, an open honor society that later turned secret.

He was also a member of Lion's Paw, the University's elite student secret society, which in the late 50's was said to have controlled much of the student government.

He majored in arts and letters and he excelled at debating. He was manager of the debate team and president of the forensic council. He won the state championship in his senior year.

"He was a spectacular debater," O'Brien said. "He was just a very bright person. Of course you had to be a bright person to be a debater back in those days when debates were very competitive."

His best friend from college, Milton Bernstein, a Harrisburg attorney, also remembers George as a "marvelous, first-class debater. He was really involved in a lot of college activities and he was very politically aware. He was ambitious and he excelled at college."

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In a rare telephone interview from his home, George reflected on his time at Penn State and what it meant to his career in "the company."

George declined to answer questions concerning his covert career or the current Iran-Contra controversy.

"I usually hang up on reporters. I have line that goes to all our good friends at *The New York Times*, *Washington Post*, *Newsweek* and *Time* that I don't talk to anybody. But to *The Daily Collegian*, I'll say hello."

"I had a wonderful, wonderful time. I wouldn't be where I am if I hadn't gone to Penn State. They gave me a great education and best friends I ever had," George said.

"The most important thing there was a great motivation for me and that was when I went to Penn State everybody was a vet in the Second World War. The guys I lived with were very old men, like 26 or 27. In fact I had a roommate and very dear friend of mine who had been a Air Force pilot and had flown missions over Europe.

"I think that in that era patriotism played a very great role in motivating people to do something. I'm not sure that's gone away totally now a days, but I think the intensity in the late 40s was just for sheer patriotism.

"We really felt we could do something for our country and I was very lucky to be able to do so," George said.

"I think that I would tell the young people at Penn State that if you are genuinely interested in helping your country and are concerned about the kind of world you live in and want some challenging work, then there is more rewarding work."

"Not everyone feels that way and they march against us. But I feel the same way about what I do now as I did then," he said.

## After the University

George said that when he graduated from Penn State in 1952 he enrolled in Columbia Law School but then changed his mind and went into the army where he served in Korea during the Korean Conflict.

"In the army, I had done some intelligence work. When I came out I didn't want to go back to grad school. I got out and ended up in the government and I've sort of been there ever since."

William Corson, an author and ex-Army intelligence agent who said he knew George, said that the 1950s were a growth era for the CIA because of the Cold War.

He said many of the CIA recruits then came from the army.

"The CIA didn't just recruit someone from Penn State. They wanted someone who has been out playing the game for awhile and many of them came from active army intelligence."

According to O'Brien, who stayed in contact with him for many years, George was sent to California to study Chinese. His first assignment with the CIA was "to interview the horde of refugees coming into Hong Kong."

Asked if there was something that attracted George to covert work he said, "no, they just sort of stuck me there."

"He never really talked about it," said Bernstein. "It was definitely out of character if you knew him. He was anything but the spy type. He was thoughtful and intelligent but not really the covert type."

According the State Department Biographic Register, which listed the cover positions of CIA agents until 1976, George served in Hong Kong for four years, Paris for three years, Mali for two years and India for four years.

In 1975, he became the CIA chief of station in Beirut, meaning he was in charge of all spying and covert operations in Lebanon at critical time in the civil war there.

O'Brien said he remembers George writing a letter to him while "bullets were flying over his head."

In 1976, he took a dangerous assignment when he became chief of station in Athens after the assassination of Richard S. Welch, the previous top CIA man there.

Welch was shot and killed by three unknown masked gunmen outside his home in a suburb of Athens in December 1975. President Gerald Ford attributed the assassination to the publication of Welch's identity as a CIA operative in American and Greek anti-CIA publications.

Because of the assassination, the State Department classified the Biographic Register and Congress passed stricter laws on publishing names of agents.

George resurfaced in 1981 as the assistant to the deputy director for operations and then moved to the legislative liaison job in the summer of 1983.

## George's current career

On June 28, 1984, as the storm over the CIA's role in Nicaragua raged in Congress, Casey appointed George Deputy Director for Operations.

Speculation arose that George was being moved because of his role in not informing Congress. A congressional aid noted in the *Post* that a "normal CIA tour of duty even in hot spots overseas is 18 months.

The *Post* quoted a senior CIA official, saying that George was not being replaced because of displeasure in Congress. As head of covert operations, he has to testify about covert activities on a regular basis. So its hardly an effort to get Clair out of the way of Congress.

"As chief of the clandestine branch he's in charge of everything covert. That really makes him one of the most powerful men in the country and the world," said Victor Marchetti, an ex-CIA agent and author of *The CIA and the Cult of Intelligence*.

"They do everything from old-fashioned spying to manipulating foreign governments and infiltrating foreign labor movements," said Marchetti, who is 1953 University alumnus.

George heads 15 espionage and intelligence divisions consisting of about 10,000 people, and supervises both covert paramilitary operations as well as the traditional "clandestine-collection" activities of CIA officers and agents with a budget exceeding \$500 million.

Covert operations enjoyed a tremendous growth under Casey, who made the reconstruction of clandestine services after they were largely dismantled in the 70s his highest priority. Casey boosted its budget and manpower as a way to enforce the "Reagan Doctrine" of rolling back Soviet gains in the Third World.

Marchetti said although he never worked with him, "George comes across as a pretty smart, tough operator. A real professional." He added that it isn't unusual for a career covert agent to move up to head covert operations.

The record on George, however, is scanty. At the National Securities Archives, in Washington, D.C. a watchdog and storehouse for intelligence information, a spokesman said their file on George "is very slim."

In March 1986, the *Post* disclosed that George sits on a secret interagency committee to oversee the increasingly complex patchwork of covert operations. Nameless, the

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group meets in Room 208 of the Old Executive Office Building and refers to itself as the "208 Committee."

Its five members are the micromanagers of America's new secret diplomacy, supervisors of a widening array of local conflicts around the globe, the *Post* said.

Reminiscent of the "40 Committee" which managed dirty wars in the Johnson and Nixon years, the 208 Committee conceptualizes operations, setting goals and timetables.

It also manages budgets and paramilitary logistics, including such details as "which weapons will be shipped, which secret warehouse goods uses and which middlemen will deliver them to clandestine airstrips." The decisions are ratified by the National Security Planning Group, which includes the president and key national security advisers.

George became obsessed with the 1984 kidnapping and execution of CIA agent William Buckley in Beirut by the Islamic Jihad, according to the *Post*.

The kidnapping was personally anguishing since he had served in Beirut when two U.S. government officials were abducted and held hostage for four months.

"This was like all of Clair's bad dreams revisited," the *Post* quoted a source. "He just about turned the building (CIA headquarters) and our capabilities, and the limits of our imagination to get Buckley back.

But North, who took over the task of setting up a private network for the Nicaraguan Contras, soon required the help of the CIA in his operations and George took part in planning the arms for hostage deal, according to the Tower report.

The day after Reagan signed the Jan. 17, 1986 finding authorizing direct U.S. sale of arms to Iran, George met with North, former National Security Adviser John Poindexter and CIA General Counsel Stanley Sporkin (University alumni from the class of '53) to plan "Operation Recovery," the code name for the arms for hostage deal.

George and the CIA provided assistance to North for the transfer of the arms, but the continuing investigation into the CIA's role in the affair may show that the CIA was more involved than has been previously admitted, some CIA watchers say.

"I would find it hard to believe that he was not knowledgeable about funding the Contras. It's coming out that Casey himself was working closely with North," said Marchetti. "George would have had to have known what was going on."

Said Lou Wolf, a writer with *Covert Action* a CIA watchdog magazine, "There's no question (George's) got to be one of the most central people in Iran-Contra scandal. I'm sure investigators will be very interested in Mr. George."

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Former CIA agent John Stockwell an outspoken critic of the agency believes the CIA has been running amok during the last five years "breaking laws, running destabilization programs all over the world."

"Clair George has been presiding over these brutal CIA operations for two and a half years. They couldn't have been done without his knowledge," Stockwell said.

With Casey gone, and FBI Director William Webster expected to replace him, it is unclear what George's future will be as Congress and the nation watch covert operations much more closely.

David Holiday, a staff member of the Senate Intelligence committee said George's future at the agency is "a personnel matter solely up to Judge Webster if he is confirmed."

Said George: "My future is now. I'm getting older and I suppose the next step around is leaving government. But I don't perceive that happening for a few years."



Clair E. George